

ACTION AGENDA

Monday, February 11, 2013
Special Meeting
Committee of the Whole
Regular Meeting

Session 13-04 a Special Meeting of the Homer City Council was called to order on February 11, 2013 at 4:01 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, DOLMA, LEWIS, ROBERTS, ZAK

ABSENT: HOWARD (excused)

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER

Councilmember Howard has requested excusal.

Mayor Wythe declared Councilmember Howard’s absence as excused. There was no objection from the Council.

- 2. **AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council’s Operating Manual, pg. 5)

APPROVED without discussion.

- 3. **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

There was one who commented.

- 4. **PENDING BUSINESS**

- A. **Memorandum 13-009**, From City Clerk Re: Request for Executive Session Pursuant to AS 44.62.310 (a-c)(2), Matters, Subjects that Tend to Prejudice the Reputation and Character of any Person, Provided the Person May Request a Public Discussion (City Manager Wrede Annual Performance Evaluation/Employment Contract).

- B. **Memorandum 13-010**, From City Clerk Re: Request for Executive Session Pursuant to AS 44.62.310 (a-c)(1) Matters, the Immediate Knowledge of Which Would Clearly Have

an Adverse Effect Upon the Finances of the Public Entity (Special Corps of Engineers Permit Modification Application for the Ocean Drive Loop Seawall).

APPROVED without discussion.

City Manager Wrede requested his evaluation be conducted in the Executive Session.

5. NEW BUSINESS

- A. **Memorandum 13-028**, From City Clerk Re: Request for Executive Session Pursuant to AS 44.62.310 (a-c)(1) Matters, the Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Public Entity (A Legal Briefing and Report on Insurance Company Investigation into the January 12-13 Sewer System Back-Ups into Three Homes).

APPROVED without discussion.

Council adjourned to Executive Session at 4:12 p.m. and reconvened the meeting at 4:58 p.m.

Mayor Pro Tempore Roberts stated Council spoke with the attorneys regarding the two issues on the Executive Session and advised them on how to proceed on the Corps of Engineers issue and the sewer issue. Council concluded contract negotiations with the City Manager and extended his contract for two years with no changes in the contract.

6. COMMENTS OF THE AUDIENCE

There were no comments of the audience.

7. ADJOURNMENT

Mayor Wythe adjourned the meeting at 4:59 p.m.

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Mayor Wythe called the meeting to order at 5:04 p.m.

Councilmember Howard has requested excusal.

- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

APPROVED without discussion.

3. **Kachemak Bay Water Trail – Trail Head**
4. **Communities of Distinction**
5. **CONSENT AGENDA**
6. **REGULAR MEETING AGENDA**
7. **COMMENTS OF THE AUDIENCE**

There were two who commented.

8. **ADJOURNMENT NO LATER THAN 5:50 P.M.**

Mayor Wythe adjourned the meeting at 5:37 p.m.

REGULAR MEETING AGENDA

Session 13-05 a Regular Meeting of the Homer City Council was called to order on February 11, 2013 at 6:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, DOLMA, HOWARD (telephonic),
LEWIS, ROBERTS, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER
CITY PLANNER ABOUD
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Howard has requested telephonic participation.

APPROVED telephonic participation for Councilmember Howard with no discussion.

Department Heads may be called upon from time to time to participate via teleconference.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was approved by consensus of the Council with the following changes:

PUBLIC HEARINGS - **Ordinance 13-02**, An Ordinance of the City Council of Homer, Alaska, Creating the City of Homer Natural Gas Distribution Special Assessment District, Approving the Improvement Plan for the District, and Authorizing the City Manager to Proceed with the Improvement. City Manager. Written public comments; **CITY MANAGER'S REPORT** - Lobbyist Report, February 8, 2013.

Consent agenda item E, Ordinance 13-05, was removed from the consent agenda and placed under Ordinances.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were six who commented.

4. RECONSIDERATION

5. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Special and Regular Meeting minutes of January 28, 2013. City Clerk. Recommend adoption.
- B. **Memorandum 13-023**, from Deputy City Clerk, Re: Liquor License Renewals for Land's End, Kachemak Bowl, Rum Locker, The Grog Shop, Two Sister's Bakery, and Fresh Catch Café.
- C. **Memorandum 13-024**, from Mayor, Re: Appointment of Adele Groning to the Public Arts Committee and Naomi Klouda to the Library Advisory Board.
- D. **Ordinance 13-04**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a 2012 Emergency Management Performance Grant from the State Division of Homeland Security and Emergency Management in the Amount of \$5,000 for an Update to the Emergency Operations Plan and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Fire Chief. Recommended dates: Introduction February 11, 2013, Public Hearing and Second Reading February 25, 2013.
- E. **Ordinance 13-05**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2013 Operating Budget by Appropriating \$10,500 from the General Fund for Emergency Relief to Pay Immediate Dislocation Expenses Incurred by the Tenants of Three Structures Affected by Sewer System Surcharges Caused by Extreme Weather on January 12 Through 14, 2013. City Manager. Recommended dates: Introduction February 11, 2013, Public Hearing and Second Reading February 25, 2013.

Ordinance 13-05 moved to Ordinances.

- F. **Resolution 13-014**, A Resolution of the City Council of Homer, Alaska, Approving the Purchase of a New 2013 Ford F-550 Plow/Sand Truck in the Amount of \$37,481 from Kendall Ford of Wasilla, Alaska, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Recommend adoption.

Memorandum 13-026 from Public Works Superintendent as backup.

- G. **Resolution 13-015**, A Resolution of the City Council of Homer, Alaska, Approving the Purchase of a New 2013 8 Cubic Yard Sander/Calcium Spreader in the Amount of \$23,541.04 from Truckwell of Alaska of Anchorage, Alaska, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Recommend adoption.

Memorandum 13-027 from Public Works Superintendent as backup.

APPROVED/ADOPTED without discussion.

6. VISITORS

- A. Dave Seaman, Wooden Boat Society, 10 minutes

Dave Seaman and Dave Brann made a presentation on the Wooden Boat Society and water trail.

- B. Green Dot, Violence Prevention Through Bystander Intervention, 10 minutes

Jessica Lawmaster and Zoe Story made a presentation on the Green Dot program.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. **Mayor's Proclamation** - Brother Asaiah Bates Day – February 14, 2013

Mayor Wythe announced the proclamation.

- B. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported the Assembly delegation will go to Juneau tomorrow with their CIP list. Homer and Soldotna high school turfs are on the tier one priorities. Wide security cameras for the schools are also on the list. The Assembly modified the interest rate on a loan available to the City for the gas line; the interest rate will be negotiated. The Assembly has passed a resolution to ask the Legislature to look at expansion of the Medicaid program where people can be eligible if they are at the 100% of federal poverty level. Currently the guideline is 138% of the poverty level. The expansion of Medicaid will provide low income workers medical care. The State of Alaska has a contractor looking at the cost of Medicaid to the

State. Expansion of the program will benefit both businesses and citizens. A number of other states have made the same decision.

C. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

Mike Stockburger, Port and Harbor Advisory Commissioner, reported the commission discussed the new harbor office at their last meeting. They viewed the alternative study that looks at different options. It is the consensus the building should be new since the price tag on all three options is essentially the same. The location could be different if the building was new. A site at the other side of the street north of the Coast Guard building (Lot 20) would allow for more parking and a view of the harbor. When the East Harbor expansion takes place it would allow a view of both harbors. The price tag could be lowered by leaving the new bathroom/showers out of the facility. Work could be done on the old bathroom facility. City Planner Rick Abboud talked to the commission about rezoning a number of Spit lots changing them from Marine Commercial to Marine Industrial or Open Space Recreation. The commission agreed with all of his suggestions. Additionally, the commission discussed storm water, the abandoned boat policy, and supports the Wooden Boat Society's proposal.

D. Mayor Wythe's Comments for the Industry Outlook Forum

Mayor Wythe recused herself from the Public Hearings due to her conflict on gas line issues and passed the gavel to Mayor Pro Tempore Roberts.

8. PUBLIC HEARING(S)

- A. **Ordinance 13-01(A)(S)**, An Ordinance of the Homer City Council Amending HCC 17.04.190 to Provide for Deferral of Special Assessments for Low Income Residents.

Burgess. Introduction and Public Hearing January 14, 2013, Substitute Introduction January 28, 2013, Public Hearing and Second Reading February 11, 2013.

Memorandum 13-016 from Planning Technician as backup.
There was no public testimony.

AMENDED Line 24 to 125%. ADOPTED as AMENDED with discussion.

- B. **Ordinance 13-02**, An Ordinance of the City Council of Homer, Alaska, Creating the City of Homer Natural Gas Distribution Special Assessment District, Approving the Improvement Plan for the District, and Authorizing the City Manager to Proceed with the Improvement. City Manager. Introduction January 28, 2013, Public Hearing and Second Reading February 11, 2013.

Memorandum 13-017 from Planning Technician as backup.
Memorandum 13-021 from City Attorney as backup.
Memorandum 13-022 from Clerical Assistant as backup.

There were twelve who testified.

Mayor Pro Tempore Roberts called for a recess at 7:52 p.m. and reconvened the meeting at 7:57 p.m.

ADOPTED with discussion.

- C. **Ordinance 13-03**, An Ordinance of the City Council of Homer, Alaska, Authorizing the City to Issue a Natural Gas Distribution Special Assessment Bond in the Principal Amount of Not to Exceed \$12,700,000 to Finance the Design and Construction of Natural Gas Distribution Improvements in the City, Fixing Certain Details of Such Bond and Authorizing Its Sale; and Repealing HCC Chapter 17.08. City Manager. Introduction January 28, 2013, Public Hearing and Second Reading February 11, 2013.

There was no public testimony.

POSTPONED to February 25, 2013 for Public Hearing and Second Reading with discussion.

Mayor Pro Tempore Roberts passed the gavel back to Mayor Wythe.

9. ORDINANCE(S)

- A. **Ordinance 13-05**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2013 Operating Budget by Appropriating \$10,500 from the General Fund for Emergency Relief to Pay Immediate Dislocation Expenses Incurred by the Tenants of Three Structures Affected by Sewer System Surcharges Caused by Extreme Weather on January 12 Through 14, 2013. City Manager. Recommended dates: Introduction February 11, 2013, Public Hearing and Second Reading February 25, 2013.

ADOPTED with discussion.

10. CITY MANAGER'S REPORT

A. City Manager's Report

1. Memorandum 13-025 from Port and Harbor Director re: New Harbormaster's Office Study & Recommendations.
2. Lobbyist Report of February 8, 2013

City Manager Wrede reported he is actively talking to Legislators about re-appropriating the \$2M for the intersection to the port and harbor building and the fire station. Fish and Game has funds to redo the load and launch ramp. Fish and Game is handling all the preconstruction activities. We will be involved when they select a contractor. They are looking at changing it from five to six lanes. The City will be liable for 25% of the cost of construction.

The Homer Foundation quarterly reports are included.

City Attorney Klinkner reported on Ordinance 12-03. The usage of bonds is appropriate. Council will authorize the borrowing of money. Borrowing will be evidenced by a promissory note or a bond. A bond is more typically used in a municipal environment. The bond will look a lot more like a promissory note. It covers the principle amount being borrowed and states terms for repayment. Since we did not know the lender, the language is generic to be used whatever the lending situation turns out to be.

City Manager Wrede will write a memorandum to Council outlining the steps for leasing a parcel. Council will need to pass a resolution making the land available for lease. Currently the parcel identified by the Wooden Boat Society is not available for lease under the Land Allocation Plan. Instructions will then need to go to the Lease Committee; specifically if Council wants to RFP the parcel. Lease policies recommend each parcel go through the RFP process although Council can make an exception in this case if they think it is a good use of the property. We want to make sure everyone gets a fair chance of the parcel and other non profits are aware there is land available.

Councilmember Lewis mentioned House Bill 19, permanent registrations for vehicles over eight years old. It will probably take in 75% of the vehicles within city limits.

Senator Begich visited Homer yesterday and talked a lot about ports and harbors. He believes we do not spend enough time talking about ports and harbors statewide or nationally. With the number of ships that will be coming through in the next decades we need to focus on ports and harbors. The Deep Water Dock expansion and proposed East Boat Harbor were discussed. Senator Begich was very complimentary to us in our efforts, ideas, and maintenance and repairs. He discussed possible funding sources.

Mayor Wythe congratulated the city employees on their anniversary dates; there are seven employees contributing 71 years of service to the City of Homer.

Governor Parnell's letter outlining his 2014 capital budget includes \$4.2M for harbor improvement projects.

An economic analysis of the drilling rig could be done. It would include moorage, sales tax, property tax, payroll, hotels, and restaurants.

B. Bid Report

11. CITY ATTORNEY REPORT

City Attorney Klinkner will have a written report for January at Council's next meeting.

Councilmember Burgess said condominium owners have made it clear their interpretation of the special assessments law differs from Attorney Klinkner's. Condo owners have said there is chance of a suit against the City. He asked Attorney Klinkner how he would feel if we asked for a written opinion from an outside legal firm on how special assessments are levied on condominiums.

City Attorney Klinkner would welcome the opinion, and assumes it would be consistent with his. If not, we would need to know that. He suspects the cost should be under \$1,000. Although it may not forestall litigation, it may satisfy some people the matter has been resolved correctly.

12. COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. Port and Harbor Improvement Committee
- F. Employee Committee Report

13. PENDING BUSINESS

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 13-016**, A Resolution of the City Council of Homer, Alaska, Authorizing the Allocation of \$3,554.79 for the Purposes of Implementing Green Dot in Homer. Mayor.

ADOPTED with discussion.

- B. **Resolution 13-017**, A Resolution of the City Council of Homer, Alaska, Approving a Contribution in Aid of Construction Agreement (CIAC) Between the City of Homer and Enstar Natural Gas Company for Construction of Improvements Within the Homer Natural Gas Distribution System Special Assessment District, in an Amount Not to Exceed \$12.7 Million. City Manager.

Mayor Wythe passed the gavel to Pro Tempore Mayor Roberts due to her conflict with the natural gas line.

POSTPONED to February 25 with discussion.

Mayor Pro Tempore Roberts passed the gavel back to Mayor Wythe.

- C. **Resolution 13-018**, A Resolution of the Homer City Council Amending the 2013-2018 Capital Improvement Plan to Delete the Homer Tidal Energy Incubator Project and Amend the Homer Education and Recreation Center Upgrades. City Manager.

ADOPTED with discussion.

- D. **Resolution 13-019**, A Resolution of the City Council of Homer, Alaska, Expressing Support for HB 35, an Act Creating a Low-Interest Loan Program for Homeowners Who Improve or Replace Their Home Heating Systems; and Providing for an Effective Date. Lewis/Zak/Burgess.

ADOPTED without discussion.

- E. **Resolution 13-020**, A Resolution of the City Council of Homer, Alaska, Designating a Corner of the Lot Between Freight Dock Road and the Nick Dudiak Fishing Lagoon on the Homer Spit as a Trail Head for the Kachemak Bay Water Trail. Mayor. **Page 331**

ADOPTED with discussion.

16. COMMENTS OF THE AUDIENCE

There were two who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner congratulated Walt on his ten years of service.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

19. COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

20. COMMENTS OF THE MAYOR

Mayor Wythe congratulated Walt on his ten years and thanked him for signing on for another two years. It was a busy weekend with the Winter Carnival and Senator Begich in town. We had the privilege of a tour of the jack-up rig on the Spit. It was fun to see how they live and how things work. She reminded people if you have contact with our legislators it would be very beneficial for the State of Alaska as a whole to create a funding source for the development and improvement of ports and harbors throughout the state. Every port would benefit if we were able to bring new shipping into other areas outside the Anchorage bowl.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Lewis congratulated Walt for a decade that has probably felt like a century on some days. He congratulated the co-op Homer Hockey team on a good winning season. Unfortunately they fell a little bit short at regions, but they put in a good show.

Councilmember Burgess commented he appreciated Walt's service and is happy to have him here. He spoke to those who do not like natural gas because it is not environmentally friendly. If they want to get real about bringing an alternative energy to Homer, call him or email him. Council's unanimous decision on the gas assessment district will help smooth things in moving forward.

Councilmember Dolma thanked everyone that came out either for or against something. He loves seeing the faces and appreciates everyone coming down.

Councilmember Zak commented there are a lot of great things happening here and he is optimistic for the future. We listen to people in the community and sometimes it is tough. Council, the Mayor, and the City Manager care deeply about the community. He wished the Mayor good luck in Juneau next week representing the CIP list. He is glad we are connected to the federal level too. Our future is the port and harbor and we are positioned in a good place.

Councilmember Roberts welcomed Dan Nelson, new Project Manager at Public Works. She referenced the AML legislative report in the packet. She likes the way they addressed the bills for Homer and suggested the lobbyist look at that model. The commentary was very helpful. She agrees with a second legal opinion on the condo assessments. At the Committee of the Whole we were presented with an idea of a \$19,000 movie to be made about Homer. We have some great video people here in Homer, one of them winning a big award in Fairbanks. They could make a five-minute video of Homer way better and cheaper than anyone.

Councilmember Howard congratulated Walt on his ten years of service. She thanked everyone for their patience with her. She has been gone longer than she planned and hopes to be back in Homer by March 15. She will require two more telephonic meetings.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 8:42 p.m. The next Regular Meeting is Monday, February 25, 2013 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.